

State of Alaska Sean Parnell Governor	Alaska Workers' Compensation Division PO Box 115512 Juneau, Alaska 99811-5512		
Department of Labor and Workforce Development	BULLETIN	Number 14-01	Date January 24, 2014
Dianne Blumer Commissioner	SUBJECT REFERENCE	Cost of Living Adjustment AS 23.30.175; 8 AAC 45.138	

Pursuant to Alaska Statute 23.30.175(c) and regulation 8 AAC 45.138(b), the Department of Labor and Workforce Development is required to identify an organization to calculate a cost of living adjustment (COLA) for a workers' compensation beneficiary when the recipient no longer resides in Alaska.

The Department has selected The Council for Community and Economic Research (C2ER) as the organization for providing COLA information for the period of January 1, 2014 to December 31, 2016.

The cost of living for Alaska is the average cost of living for Anchorage, Juneau, and Fairbanks and is automatically calculated when using the Cost of Living Index Calculator. The COLA calculator can be found online [here](#). A link to the calculator can also be found on the [Division of Workers' Compensation website](#), <http://www.labor.state.ak.us/wc/>, under the Quick Links menu.

To use the calculator, enter a base salary rate of 100, select the "moving to" city and hit the 'calculate' button. The returning results provide the cost of living percentage adjustment needed. Example: entering \$100 for base salary and selecting Spokane, Washington (WA Spokane) returns a result of \$72.36, or a 72.36% COLA adjustment.

If a recipient does not reside in a location listed in the C2ER database, the COLA ratio for the listed location nearest the recipient's residence must be used. If the recipient lives in a location equidistant from two listed locations, the ratio that results in the higher compensation rate must be used.

The Division has contracted with Northern Economic Research Associates to produce COLA survey for location outside of the United States. For an out-of-country COLA determination, send a request to:

Division of Workers' Compensation
Attn: Administrative Manager
3301 Eagle Street, Suite 304
Anchorage, AK 99503-4149

Effective November 7, 2005, a COLA "may not result in raising a recipient's weekly compensation rate to an amount that exceeds the weekly compensation rate that the recipient would have received if the recipient had been residing in [Alaska]". If an employer or recipient wishes to dispute a COLA rate, the party may petition the Alaska Workers' Compensation Board for a hearing, in accordance with AS 23.30.110 and 8 AAC 45.138(g).